

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT																												
NATURE OF CONVEYANCE:	SECURITY AGREEMENT																												
CONVEYING PARTY DATA																													
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<table border="1"> <tr> <td>Name:</td> <td>COMVEST CAPITAL II, L.P., as Administrative Agent</td> </tr> <tr> <td>Street Address:</td> <td>525 Okeechobee Boulevard, Suite 1050</td> </tr> <tr> <td>City:</td> <td>West Palm Beach</td> </tr> <tr> <td>State/Country:</td> <td>FLORIDA</td> </tr> <tr> <td>Postal Code:</td> <td>33401</td> </tr> </table>		Name:	COMVEST CAPITAL II, L.P., as Administrative Agent	Street Address:	525 Okeechobee Boulevard, Suite 1050	City:	West Palm Beach	State/Country:	FLORIDA	Postal Code:	33401																		
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OP \$480.00 12177098

Patent Number:	8031975
Patent Number:	7116324
Patent Number:	7116323
Patent Number:	7102633
Patent Number:	6686926
Patent Number:	6515659
Patent Number:	6208348

CORRESPONDENCE DATA

Fax Number: (312)863-7806

Phone: 312-863-7198

Email: nancy.brougher@goldbergkohn.com

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.

Correspondent Name: Nancy Brougher

Address Line 1: Goldberg Kohn Ltd.

Address Line 2: 55 East Monroe Street, Suite 3300

Address Line 4: Chicago, ILLINOIS 60603

ATTORNEY DOCKET NUMBER:	6913.008
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NAME OF SUBMITTER:	Nancy Brougher
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Total Attachments: 7

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PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT, dated as of February 23, 2012, by the undersigned (individually "Grantor" and collectively "Grantors"), in favor of COMVEST CAPITAL II, L.P., in its capacity as administrative agent ("Administrative Agent") for Lenders (as hereinafter defined).

WITNESSETH:

WHEREAS, pursuant to that certain Second Amended and Restated Loan Agreement dated as of November 24, 2010 by and among Digital Domain Media Group, Inc. (formerly known as Digital Domain Holdings Corporation), a Florida corporation (the "Borrower"), Administrative Agent and the lenders ("Lenders") from time to time party thereto (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), Lenders have made certain Loans for the benefit of Borrower, an affiliate of the other Grantors;

WHEREAS, in return for adequate consideration, Administrative Agent and Lenders have required that Grantors shall have executed and delivered to Administrative Agent, for itself and the ratable benefit of Lenders, that certain Second Amended and Restated Security Agreement dated as of November 24, 2010 and that certain Security Agreement dated as of February 23, 2012 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Collateral Agreements"); and

WHEREAS, pursuant to the Collateral Agreements, each Grantor is required to execute and deliver to Agent, for itself and the ratable benefit of Lenders, this Patent Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. DEFINED TERMS.

(a) All capitalized terms used but not otherwise defined herein have the meanings given to them in the Credit Agreement.

(b) Patents means (a) all letters patent of the United States, any other country or any political subdivision thereof, all reissues and extensions thereof and all goodwill associated therewith, including any of the foregoing referred to in Schedule I, (b) all applications for letters patent of the United States or any other country and all divisions, continuations and continuations-in-part thereof, including any of the foregoing referred to in Schedule I, and (c) all rights to obtain any reissues or extensions of the foregoing.

(c) Patent Licenses means all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to manufacture, use or sell any invention covered in whole or in part by a Patent, including any of the foregoing referred to in Schedule I.

2. GRANT OF SECURITY INTEREST IN PATENT COLLATERAL. Each Grantor hereby grants to Agent, on behalf of itself and Lenders, a continuing first priority security interest in all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Patent Collateral"):

hereto; (a) all of its registered Patents and Patent Licenses set forth on Schedule I

(b) all reissues, continuations or extensions of the foregoing; and

(c) all proceeds of the foregoing, including, without limitation, any claim by such Grantor against third parties for past, present or future infringement or dilution of any Patent or any Patent licensed under any Patent License.

3. REPRESENTATION AND WARRANTY. Each Grantor hereby represents and warrants to Administrative Agent and each Lender that Schedule I lists all registered Patents and all Patent Licenses owned by each Grantor in its own name on the date hereof.

4. COLLATERAL AGREEMENTS. The security interests granted pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to Agent, on behalf of itself and Lenders, pursuant to the Collateral Agreements. Each Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Collateral Agreements, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[signature page follows]

IN WITNESS WHEREOF, each Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTORS:

DIGITAL DOMAIN MEDIA GROUP, INC.,
a Florida corporation

By: [Signature]
Name: John C. Teske
Title: CEO

DIGITAL DOMAIN,
a Delaware corporation

By: [Signature]
Name: John C. Teske
Title: Chairman

DDH LAND HOLDINGS, LLC,
a Florida limited liability company

By: [Signature]
Name: John C. Teske
Title: Chairman of the Manager

DIGITAL DOMAIN INSTITUTE, INC.,
a Florida corporation

By: [Signature]
Name: John C. Teske
Title: Chairman

DIGITAL DOMAIN STEREO GROUP, INC.,
a Florida corporation

By: [Signature]
Name: John C. Teske
Title: Chairman

DDH LAND HOLDINGS II, LLC,
a Florida limited liability company

By: [Signature]
Name: John C. Tesbr
Title: Chairman of the Board

DIGITAL DOMAIN INTERNATIONAL, INC.,
a Florida corporation

By: [Signature]
Name: John C. Tesbr
Title: Chairman

TRADITION STUDIOS, INC.,
a Florida corporation

By: [Signature]
Name: John C. Tesbr
Title: Chairman

DIGITAL DOMAIN PRODUCTIONS, INC.,
a Delaware corporation

By: [Signature]
Name: John C. Tesbr
Title: Chairman

MOTHERSHIP MEDIA, INC.,
a California corporation

By: [Signature]
Name: John C. Tesbr
Title: Chairman

D2 SOFTWARE, INC.,
a Delaware corporation

By: [Signature]
Name: John C. Tesbr
Title: Chairman

DD ENTERTAINMENT PRODUCTIONS, INC.,
a California corporation

By: [Signature]
Name: John C. Taylor
Title: Chairman

INSTANT KARMA FILMS, L.L.C.,
a California limited liability company

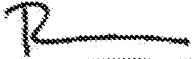
By: [Signature]
Name: John C. Taylor
Title: Chairman & CEO

ACCEPTED AND ACKNOWLEDGED BY:

COMVEST CAPITAL II, L.P.,
as Administrative Agent

By: ComVest Capital II Partners L.P.,
its General Partner

By: ComVest Capital II Partners UGP, LLC
its General Partner

By: 
Name: Robert O'Sullivan
Title: Managing Partner

SCHEDULE I
to
PATENT SECURITY AGREEMENT

PATENT	PATENTS AND PATENT APPLICATIONS	FILE DATE	OWNER INFORMATION
Method and system for scattered spherical harmonic approximation	12/177098	07/21/08	Digital Domain Productions, Inc.
Fitting curves from one model to another	12/179507 Abandoned as of 09/03/11	07/24/08	Digital Domain Productions, Inc.
System and method for surfacing of particle systems	12/185043	08/01/08	Digital Domain Productions, Inc.
System and method for improved grid processing	12/265683	11/05/08	Digital Domain Productions, Inc.
System and method for mesh stabilization of facial motion capture data	12/635929	12/11/09	Digital Domain Productions, Inc.
System and method of image zooming with intensity preservation	8031975	01/17/08	Digital Domain Productions, Inc.
Method for minimizing visual artifacts converting two-dimensional motion pictures into three-dimensional motion pictures	7116324	09/30/03	Digital Domain Stereo Group, Inc.
Method of hidden surface reconstruction for creating accurate three-dimensional images converted from two-dimensional images	7116323	12/10/02	Digital Domain Stereo Group, Inc.
Method for conforming objects to a common depth perspective for converting two-dimensional images into three-dimensional images	7102633	05/15/02	Digital Domain Stereo Group, Inc.
Image processing system and method for converting two-dimensional images into three-dimensional images	6686926	03/26/01	Digital Domain Stereo Group, Inc.
Method and system for creating realistic smooth three-dimensional depth contours from two-dimensional images	6515659	12/19/01	Digital Domain Stereo Group, Inc.
System and method for converting two-dimensional images into three-dimensional images	6208348	05/27/98	Digital Domain Stereo Group, Inc.